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FOREIGN POLICY BULLETIN

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-WILL U.S. REVISE ITS OCCUPATION POLICY IN-GERMANY?

T a moment when the recent victories on the battlefronts have not yet been consolidated in a peace settlement affording at least a reasonable guarantee of future national security, the United States appears on the verge of a hasty demobilization of its armed forces, regardless of the effects this action may have on the nation's foreign policy. By a curious irony it was the Supreme Commander of Allied Forces in Japan who unleashed the torrent of requests for speedy demobilization that the Army and Navy had been trying to hold in check in order to fulfill American commitments abroad. In a statement issued in Tokyo on September 17 General MacArthur declared that "within six months the occupation force, unless unforeseen factors arise, will probably number not more than 200,000 men, a size probably within the framework of our projected regular establishment and which will permit complete demobilization of our citizen Pacific forces." Although General MacArthur referred only to Japan in his remarks, he precipitated a storm of demands in Congress for more rapid demobilization of all the armed forces, and created the impression abroad that our rule of the defeated Axis countries would be brief and perfunctory.

REPERCUSSIONS IN EUROPE. All subsequent official efforts to dispel the impression that the United States is now turning to consideration of its domestic problems, to the virtual exclusion of those abroad, have been like attempts to plug holes in a dike after the sea has been let in. Two days after the original MacArthur prediction was made in Tokyo, a news dispatch from Wiesbaden reported that Germans in the American Zone had taken the Supreme Commander's statement about Japan as an indication that American occupation of the Reich also might not be as long or as rigorous as had been expected. If news coverage of the London meeting

of the Council of Foreign Ministers had been as adequate as that in the American Zone in Germany, it might be assumed that the effects of the statement would have been observed there, too. For Secretary of State Byrnes undoubtedly found his bargaining position weakened as the other Allies observed this evidence that the United States was in haste to wind up the war and might, therefore, accept proposals for the disposal of the Italian colonies or a settlement in Eastern Europe that it regarded as considerably less than satisfactory.

Whatever the repercussions of the speedy demobilization of our armed forces may have been on the first peace conference, its effects on the program for the occupation of Germany are already clear. Reports from Germany show that the military government is so greatly hampered by the loss of high-point men who were familiar with their assignments, and by the general shortage of replacements that even routine tasks are now being left undone. The machinery for our military government of Germany, in short, threatens to come to a full stop.

GOALS STILL REMOTE. If all our major objectives in Germany had already been attained, this situation would hardly be a serious matter. The contrary, however, appears to be the case, for reports of the hasty withdrawal of troops are being accompanied by developments that clearly show we are still far from realizing the two goals in Germany that the Allies set at Potsdam last July: denazification and demilitarization of the defeated Reich, and establishment of democratic self-government and a reorganized economy.

From the earliest phase of the occupation until the present moment, the denazification policy has encountered difficulties that have rendered its enforcement a hit-and-miss affair. Immediately after Germany's collapse, the speed and finality with which

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Nazis were removed from positions of political or industrial responsibility depended largely on the efficiency and political convictions of the local military commanders. More recently the Army has assigned top priority to the denazification program. Yet despite this emphasis on denazification, recent unofficial surveys in the American Zone show a widespread breakdown in the program. General Patton, head of the Military Government in Bavaria, who recently declared that, in his opinion, "far too much fuss has been made regarding denazification of Germany," is merely the most outspoken proponent of the view that some Nazis are "indispensable" to the efficient operation of certain services, particularly those of an economic nature. Under these conditions, and with Nazis remaining in positions of management and direction of German industry and business, reports of a rapid reduction in the size of the American occupying force seem distinctly premature.

ECONOMIC POLICY NEEDS REVISION. An even more difficult job than denazification remains to be done in connection with the economic future of Germany, for there are signs that the deindustrialization progam devised at Potsdam last July is unworkable and will have to be revised. According to the Potsdam agreement, Germany was to be deprived of its economic potential lest it use its vast industrial plant to rebuild military power. This drastic solution of the German problem, however, has inevitably had embarrassing consequences for the Allies, both in Germany and throughout large areas of Europe which formerly depended on Germany's industries to supply them with essential manufactured goods.

As far as Germany itself is concerned, Britain and

the United States now find themselves obliged to send food into the country to maintain subsistence standards of living, for Germany, deficient in foodstuffs, was formerly dependent on exports of its manufactured goods to furnish it with agricultural products from abroad. Certain measures can, of course, be taken by the Allied Control Council to make Germany more nearly self-sufficient, and the economic integration, on September 20, of the four zones of occupation is an important step in this direction. Under no circumstances, however, will it be possible for Germany to become a self-supporting unit again unless it is permitted to operate certain industries. And since it is difficult under modern conditions to distinguish between industries that may be used for war and those that produce only for peace-time purposes, provision for long-term Allied supervision of Germany's industrial plant will have to be made.

Until these facts are recognized and the Potsdam program is revised accordingly, local AMG officials may be expected to continue in their present course of suspending action directed toward the complete deindustrialization of Germany. At the same time, for lack of directives, they can do nothing about establishing permanent controls over those industries they permit to operate to fill minimum requirements for German civilians and the occupying forces. Perhaps the most important step that could now be taken toward curbing the present dangerous trend toward a new American withdrawal from Europe would be the publication of a full report on the problems that still confront the occupying authorities in Germany.

WINIFRED N. HADSEL

ECONOMIC GOALS INFLUENCE LABOR PARTY'S POLICY ABROAD

The address given by Foreign Secretary Ernest Bevin on August 20 still remains the only general statement of the Labor party's foreign policy. The keynote of that address was the continuity of British policy, and those who have looked for abrupt changes have found only disappointment in later developments. Perhaps the renewal of the Cripps offer for Indian self-government, made on September 19, and Prime Minister Atlee's proposal on September 23 to submit the Palestine question to the United Nations organization foretell more active moves in the field of external affairs. Meanwhile, the Labor Cabinet is engaged in the peace settlements now being negotiated by the Council of Foreign Ministers in London, and British representatives are attempting to orient the nation's economic future in the farreaching Anglo-American conversations which still continue in Washington.

BRITAIN LOOKS ABROAD. Mr. Bevin referred to Britain's guiding aim in foreign policy when he said on August 20 that "the Government regards the economic reconstruction of the world as the primary object of their foreign policy," and it is to be assumed that Britain's own economic dilemma, thoroughly reviewed during the current Washington conference, was also very much in the forefront of Bevin's thought. This concern for economic development, along with Britain's desire to maintain its position as a power of the first rank, provide a broad background from which all contemporary British moves abroad may be viewed.

Although British relations with Western Europe, especially France, remain much the same as under the Churchill coalition régime, there is some indication of a stiffer attitude toward developments in Southeastern Europe. There is little evidence, however, of Britain's position on Germany's future. In urging British coal miners to produce more coal for Europe and thus come to his aid in pursuit of British aims abroad, Bevin stepped outside time-worn diplomatic phraseology to highlight one of the crucial problems Britain as well as America faces this win-

ter. For political objectives of whatever intention will go astray if conditions on the European continent are reduced to chaos because of the lack of food, fuel and transport.

ECONOMIC NECESSITIES. What is puzzling to many American observers is the apparent desire and ability of the British to aid in European reconstruction when at the same time they find it necessary to ask for economic assistance from the United States. Phrased somewhat differently, it is also asked: Why should Britain request aid unless it is willing to help itself economically by adjusting its imperial trading and financial relations? This question raises one of the central issues reportedly under discussion in the Washington conference.

That some form of aid will be extended to Britain now seems certain. Yet the difficulty of changing the British imperial preference system and loosening the restrictions inherent in the operations of the sterling bloc serve to point up the close relationship between Britain's desire for economic prosperity and its search for security. British spokesmen have not flatly refused to release some of the excessive sterling credits now blocked in London. But they will wish to retain a firm hold on the sterling area, for example in the Middle East and in India, until some wider multilateral trading system is assured.

LABOR AND THE EMPIRE. Britain's domestic economic needs can be met most easily at present by retaining already established imperial and trading bonds. Thus, in offering to renew negotiations for Indian independence, the Labor government not only hopes to fulfill Britain's wartime pledge but also, by speedy alleviation of the political struggle over India, to retain its position of economic advantage there. That India may readily be brought to Dominion status and associated with the British Commonwealth still appears doubtful. For the offer of September 23 was quickly and severely criticized by spokesmen in India where the internal political differences remain insurmountable. But of chief interest here is the fact that, by controlled trading, Britain will expect to benefit from the Indian sterling credits now blocked in London. They represent the major portion of Britain's sterling debt incurred during the war, and up to this point have been earmarked for buying British products only.

In the Middle East the necessity for tenaciously holding on to imperial ties, aside from economic reasons, is reinforced by Britain's present estimate of its world power position, now much reduced in relation to that of the United States and the U.S.S.R. Russian delays in effecting a joint military withdrawal from Iran, its hope to strengthen its position in the Dardanelles and in the Arab world, and the Soviet desire to administer Tripolitania as a single trustee, suggested on September 18, all offer adequate reason for British reluctance to loosen imperial bonds. Prime Minister Atlee's proposal to submit the Palestine problem to the United Nations came shortly after the new government had called to London the chief British representatives in the Middle East, to canvass the possibility of drafting a well-coordinated policy for that entire'area.

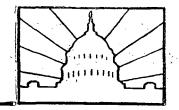
At the conclusion of these meetings a Foreign Office communiqué of September 20 stated that "His Majesty's Government are impressed with the desirability of strengthening the relations with the countries of the Middle East on a basis of mutual cooperation and the promotion of their social and economic well being." Britain's continued security in the Suez and retention of oil rights in the Arab world will perhaps demand less active support for a Zionist solution in Palestine than Laborites have proposed heretofore. For it appears axiomatic that Britain must preserve its imperial ties whether the government in London is Laborite or Conservative.

FACING FACTS. It is clear that Britain faces great difficulties in reaching the goals set by Foreign Secretary Bevin. But Britain will adhere to its decision to retain what it has, even if this forces the British to "go it alone" until the nation is sure that America in particular will actively support the wider system of multilateral trade which it sponsors, and until greater international political stability is assured. These considerations may seem archaic in an age destined to be influenced by the use of atomic energy both in war and peace. But if the United States and Russia operate on the basis of power principles devised before the use of the atomic bomb, there is little hope that Britain can do otherwise. As the United States swiftly turns from the war, scaling down almost daily its estimate of what is needed in occupying Germany and Japan, and as Russia pushes its demands for territory and influence into historic British zones, any British government would be negligent if it did not husband its resources and attempt to guarantee its position abroad by all means at its disposal.

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Washington News Letter



FIRM WHITE HOUSE LEADERSHIP NEEDED ON FOREIGN ISSUES

Although it is less than three months since Senate approval of the United Nations Charter pointed the United States toward a clear-cut foreign policy, the country suffers today from confusion and uncertainty in international affairs. Responsibility for clarification rests with President Truman, who only gradually is showing publicly that he is aware of the task confronting him as a result of the American decision to adopt a policy of cooperation with other governments. Only strong Presidential leadership can give national policy in world affairs its greatest possible force. Yet the great hopes of the American people for world cooperation may be disappointed if a courageous foreign policy is sacrificed to narrow, political considerations.

CONFUSIONS IN POLICY. Current confusion stems from three sources. First, as a result of the lack of firm leadership and discipline within the Administration, federal agencies arrive at independent conceptions of foreign policy and fail to compose their differences. Second, while the Administration has kept clearly in mind its goals in foreign policy, it has failed in some instances to work out precise details respecting the many questions that confront it. Third, for lack of firm leadership through Presidential explanations to the public, voters are today advocating contradictory propositions in foreign affairs. Thus there are those who propose swift reduction in the size of the Army and Navy in conjunction with retention of Pacific bases, which need the support of adequate military forces, and with membership in the United Nations Organization, whose Charter assumes that its leading members will be strong militarily.

General MacArthur added to the confusion by his prediction on September 17 that within six months he would need only 200,000 soldiers for occupation. This naturally pleased the large number of persons who, for excellent reasons, hope for swift demobilization of the "citizen" armed forces. Yet overswift demobilization could weaken the United States in its job of policing the European and Asiatic enemies, and induce forgetfulness of the importance of long-term military strength in this new era of peace. On this matter the country seriously needs guidance from the President. On September 18 and again on September 19 Mr. Truman commented on demobilization; however, a bold and understandable exposition on his part of the necessity of a sound military policy for realization of our foreign policy

goals is still needed.

A strong statement issued on September 19 by Acting Secretary of State Dean Acheson revealed that the policy-making agencies and General Douglas MacArthur, the Supreme Commander in Japan applying policy, actually disagreed about the nature of policy. Acheson, without mentioning MacArthur by name, insisted it was the task of civilian, not military, agencies to evolve the country's foreign policy. Nevertheless, neither civilian nor military authorities in Washington have sent MacArthur a precise directive on the policy it is his duty to apply; the White House declaration published on September 23, which was taken by messenger to MacArthur from Washington on September 6, is merely "a statement of general initial policy relating to Japan after surrender."

PROBLEM MAINTAINING OF WORLD UNITY. The President has contributed directly to the public's confusion by his occasional observations on foreign policy. Although he sincerely supported the United Nations Charter, for example, he suggested that he believed in nationalist self-reliance when he stated on August 9: "We are going to maintain the military bases necessary for the complete protection of our interests and world peace." Despite his interest in territorial bases, he stated in Berlin on July 20: "There is not one piece of territory . . . that we want out of this war." This fiction was penetrated by Soviet diplomats, who at the London meeting of the Council of Foreign Ministers have reportedly excused their interest in obtaining African territories by reference to American interest in Pacific territory.

Nevertheless, President Truman has given convincing signs that he agrees with former Assistant Secretary of State Archibald MacLeish, who declared on August 4 that maintaining our unity with the world may be more difficult than writing the Charter. On his return from the Potsdam Conference, President Truman said on August 9: "Victory in a great war is something that must be won and kept won. It can be lost after you have won it—if you are careless or negligent or indifferent." His problem now is to buck the forces of isolation and make plain to the American public that day-to-day commitments are necessary in the foreign field if we are to cement the military victory just won and save ourselves from another war.

BLAIR BOLLES